



Title: I, Payroll/Personnel Manual

Chapter:

Bulletin: Title I, 05-11, Elimination of the Thrift Savings Plan (TSP) Open Seasons

Date: June 29, 2005

To: Holders of the Payroll/Personnel Manual
Personnel User Groups
Personnel Offices

The Federal Retirement Thrift Investment Board will implement Public Law 108-469, dated December 21, 2004, effective July 1, 2005. Public Law 108-469 eliminates the TSP open seasons and the restrictions on contribution elections which are tied to open seasons.

This bulletin provides users of the National Finance Center (NFC) Payroll/Personnel System with the following information about Public Law 108-469 and the related processing requirements.

Elimination Of TSP Open Seasons

As a result of the elimination of the TSP open seasons, beginning with the processing of Pay Period 14 (July 18, 2005), employees covered by the Federal Employees Retirement System (FERS) or Civil Service Retirement System (CSRS) may make TSP contribution elections to start, change, stop, or resume TSP contributions at any time through their payroll office or through the Self-Service Option of the Employee Personal Page (EPP). TSP contribution elections will be effective the first full pay period (beginning with the processing of Pay Period 14) following receipt of the election. **Note:** Certain FERS employees must serve a waiting period before they can receive agency contributions to their TSP accounts, see Required Waiting Period For Agency Contributions below.

Required Waiting Period For Agency Contributions

Newly hired FERS employees and FERS employees reappointed following a break in service who were not previously eligible to receive agency contributions must serve the waiting period described below before they can receive agency contributions to their TSP accounts:

- If the effective date of the appointment is any day during the period June 1 through November 30, the agency contributions must begin the first full pay period of the following June.
- If the effective date of the appointment is any day during the period December 1 through May 31, the agency contributions must begin the first full pay period of the following December.

Note: An employee reappointed to a position covered by FERS who was previously eligible to receive agency contributions is immediately eligible to receive agency contributions.

TSP Eligibility Codes

Listed below are the TSP eligibility codes to be used on all accession and conversion personnel actions beginning with the processing of Pay Period 14. **Note:** TSP Eligibility Codes 1, 2, and 6 have been redefined since CSRS and FERS employees can now make TSP contribution elections to start, change, stop, or resume TSP contributions at any time.

TSP Eligibility Codes

TSP Eligibility Code	Description
1	Eligible for immediate participation in the employee contributions. If the effective date of the FERS employee's appointment is any day during the period June 1 through November 30, the agency 1-percent basic Government contributions and the agency matching funds must begin the first full pay period of the following June.
2	Eligible for immediate participation in the employee contributions. If the effective date of the FERS employee's appointment is any day during the period December 1 through May 31, the agency 1-percent basic Government contributions and the agency matching funds must begin the first full pay period of the following December.
3	Eligible to participate immediately. Employees who transfer from another Federal agency/payroll system without a break in service who were making TSP contributions or receiving the agency 1-percent basic Government contributions at the time of the transfer.
6	Ineligible. Employees in certain retirement coverage codes may not be eligible to participate in TSP.

Since CSRS and FERS employees can now make TSP contribution elections to start, change, stop, or resume TSP contributions at any time, the following TSP eligibility codes have been eliminated:

TSP Eligibility Codes

TSP Eligibility Code	Description
4	A FERS employee who had terminated their TSP contributions during the last TSP open season before transferring to a new Federal agency/payroll system, and is eligible immediately for the agency 1-percent basic Government contributions and eligible to contribute to TSP during the first TSP open season.
5	A FERS employee who had terminated their TSP contributions during the last TSP open season before transferring to a new Federal agency/payroll system, and is eligible immediately for the agency 1-percent basic Government contributions and eligible to contribute to TSP during the second TSP open season.

Once a Form TSP-1, Thrift Savings Plan Election Form, is processed or when a FERS employee begins receiving the agency 1-percent basic Government contributions, the Payroll/Personnel System replaces the TSP eligibility code established through the Entry, Processing, Inquiry, and Correction System (EPIC) or an agency front-end system interface (FESI), with TSP Eligibility Code 9 (participating or has participated).

TSP Status Codes

Listed below are the TSP status codes that will be generated by the Payroll/Personnel System. **Note:** TSP Status Code H has been added to identify those employees that have made a financial hardship in-service withdrawal.

TSP Status Codes	
TSP Status Code	Description
E	Eligible. An employee is eligible to participate in TSP but has not submitted a Form TSP-1 to begin employee contributions. A FERS employee coded E is eligible for the agency 1-percent basic Government contributions.
W	Waiting to receive the agency 1-percent basic Government contributions. A FERS employee who is contributing but who is not yet eligible to receive the agency 1-percent basic Government contributions
S	Stopped employee contributions. A FERS employee who terminates (stops) their own contributions to TSP before they become eligible to receive the agency 1-percent basic Government contributions, as well as the agency matching funds.
Y	Yes (Contributing). An eligible employee has elected to participate in TSP (e.g., a Form TSP-1 was submitted to have their TSP contributions deducted from their salary each pay period). A FERS employee coded Y is eligible for the agency 1-percent basic Government contributions.
H	Hardship withdrawals. NFC Use Only. An employee who is required to terminate their contributions because they made a financial hardship in-service withdrawal. A FERS employee is eligible for the agency 1-percent basic Government contributions.
T	Terminates employee TSP contributions. An employee who terminates their contributions. A FERS employee is eligible for the agency 1-percent basic Government contributions.
I	Ineligible. Employees in certain retirement coverage codes may not be eligible to participate in TSP. A FERS employee coded I is eligible to participate in TSP, but has not yet submitted Form TSP-1 to begin employee contributions, and is not eligible yet to receive the agency 1-percent basic Government contributions.

The TSP status codes are displayed in the Inquiry/Research Information System (IRIS), Program IR118, Thrift Savings Data, in the **Change Status Code** field.

TSP Status Date

The TSP status date is generated by the Payroll/Personnel System and is the first day of the pay period in which Form TSP-1 takes effect to begin employee contributions or when a

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FERS employee became eligible to receive the agency 1-percent basic Government contributions. However, if the employee cancels his/her TSP contributions, the first day of the pay period in which the cancellation is processed will be generated in the TSP status date. The TSP status date is displayed in IRIS Program IR118 in the **Eff Date Of Status Change** field.

Note: The TSP status date will *not* change if the employee elects to change the percentage rate or dollar amount of the employee TSP contributions.

Entry, Processing, Inquiry, And Correction System (EPIC) Version 2.08

As a result of these changes, a new version of EPIC, EPIC Version 2.08, will be available in the Download Center on NFC's Web site in Pay Period 12, 2005. Customers may begin using the new version with the processing of Pay Period 14, 2005.

Payroll/Personnel Procedures

The appropriate Title I payroll/personnel procedures have been updated with the information in this bulletin. To view and/or print these procedures, go to NFC's Home Page (www.nfc.usda.gov) and click the **Pubs & Forms** icon. At the Pubs & Forms page left-hand menu, click **List by Title/Chapter** and search for the appropriate chapter on the list provided.

Inquiries

For more information on the elimination of the TSP open seasons, see the TSP Web site (www.tsp.gov).

For questions about NFC processing, contact the Payroll Operations Branch at **504-255-4630**. For questions about policy/regulations, contact your Agriculture Payroll/Personnel User Group (AGPUG) representative or Committee for Agriculture Payroll/Personnel System (CAPPS) representative. Please refer questions about system access and other system-related issues to Customer Support at **504-255-5230** or via e-mail at customer.support@usda.gov.



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